



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 4, 2001

### **S. 980** **Anton's Law**

*As ordered reported by the Senate Committee on Commerce, Science,  
and Transportation on August 2, 2001*

#### **SUMMARY**

The National Highway Traffic Safety Administration (NHTSA) provides grants to states for programs designed to improve the safety of children when they ride in automobiles. S. 980 would extend this program for the next two years. The bill would also direct NHTSA to develop a similar new program and provide additional grants to states in 2004. In addition to providing these grants, S. 980 would direct NHTSA to develop regulations for child seats and rear seat belts, and to report on the development of a dummy that would show the effects of crash tests on a 10-year-old child.

CBO estimates that implementing S. 980 would cost \$53 million over the 2002-2006 period. Enacting S. 980 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

S. 980 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA). Any costs to state and local governments receiving grants under this bill would be incurred voluntarily.

S. 980 would impose a private-sector mandate, as defined by UMRA, on the manufacturers of passenger motor vehicles, who would be required to install a lap and shoulder belt harness in the center-rear seating position of vehicles weighing 10,000 pounds or less. Based on information from government and industry sources, CBO expects that the direct cost to manufacturers of this requirement would exceed the annual threshold for private-sector mandates established by UMRA (\$113 million in 2001, adjusted annually for inflation).

## ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 980 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

	By Fiscal Year, in Millions of Dollars					
	2001	2002	2003	2004	2005	2006
<b>SPENDING SUBJECT TO APPROPRIATION</b>						
Spending Under Current Law						
Budget Authority <sup>a</sup>	8	0	0	0	0	0
Estimated Outlays	7	2	0	0	0	0
Proposed Changes						
Estimated Authorization Level	0	8	8	38	0	0
Estimated Outlays	0	6	7	27	13	0
Spending Under S. 980						
Estimated Authorization Level <sup>a</sup>	8	8	8	38	0	0
Estimated Outlays	7	8	7	27	13	0

a. No funds were appropriated in fiscal year 2000 or 2001 for grants to states to improve the safety of children when they ride in automobiles; however, the Department of Transportation used administrative authority to transfer \$7.5 million to this program in each of those years.

## BASIS OF ESTIMATE

For this estimate, CBO assumes that S. 980 will be enacted near the start of fiscal year 2002 and that the authorized amounts will be appropriated for each fiscal year.

S. 980 would authorize the appropriation of \$7.5 million to NHTSA for each of fiscal years 2002 and 2003 for extending the current grant program. S. 980 specifies that a state's grant in 2004 would equal five times the amount provided to that state in 2003. Consequently, CBO estimates that the bill would authorize the appropriation of \$37.5 million for the new grant program in 2004. CBO's estimate of outlays for both grant programs is based on information from NHTSA and historical spending patterns of the current program.

CBO estimates that the cost of developing new regulations on child safety, reporting on the test dummy, and administering the grant programs would be less than \$500,000 in any year.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

## **ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENT**

S. 980 contains no intergovernmental mandates as defined in UMRA. Any costs to state and local governments receiving grants under this bill would be incurred voluntarily.

## **ESTIMATED IMPACT ON THE PRIVATE SECTOR**

S. 980 would impose a private-sector mandate, as defined by the Unfunded Mandates Reform Act (UMRA), on the manufacturers of passenger motor vehicles, who would be required to install a lap and shoulder belt harness in the center-rear seating position of vehicles weighing 10,000 pounds or less. Based on information provided by the National Highway Traffic Safety Administration and the manufacturing industry, CBO estimates that the cost per vehicle would fall between \$55 and \$85, which includes both the cost of the harness itself and any reinforcement necessary for the seat. Roughly one quarter of the industry already equips their vehicles with a harness in the center-rear seating position, meaning that the provision would apply to approximately 12 million vehicles. Thus, CBO estimates the annual cost to the manufacturing industry could fall between \$660 million and \$1 billion, which would exceed the annual threshold for private-sector mandates established by UMRA (\$113 million in 2001, adjusted annually for inflation).

## **PREVIOUS CBO ESTIMATE**

On May 22, 2001, CBO transmitted a cost estimate for H.R. 691, a bill to extend the authorization of funding for child passenger protection education grants through fiscal year 2003, as ordered reported by the House Committee on Transportation and Infrastructure on May 16, 2001. The estimated costs of the House bill are smaller because that bill only reauthorized grants to states for 2002 and 2003.

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